



House of Representatives

General Assembly

File No. 690

February Session, 2008

Substitute House Bill No. 5734

House of Representatives, April 21, 2008

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING NEW AND EXPANDED BUS TRANSPORTATION SERVICES THROUGHOUT CONNECTICUT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2008*) (a) There is established,
2 within available budgetary resources, the "Buses for 21st Century
3 Mobility" program which shall be administered by the Department of
4 Transportation. Commencing July 1, 2008, the Department of
5 Transportation shall accept applications from transportation providers
6 and community service providers for funding to provide new and
7 expanded bus transportation services as part of the Buses for 21st
8 Century Mobility program. Such new and expanded bus
9 transportation service programs shall include, but not be limited to: (1)
10 Programs to provide transportation services for disabled citizens to
11 and from their homes for any purposes required by the Americans
12 with Disabilities Act; (2) expansion of existing services where a
13 demonstrated need has been shown; (3) programs to provide new rail
14 shuttle services to encourage the use of Metro-North Commuter

15 Railroad; (4) express commuter services; and (5) other bus
16 transportation programs designed to increase bus ridership
17 opportunities for Connecticut residents.

18 (b) Commencing July 1, 2008, the Department of Transportation
19 shall accept applications from transportation providers and
20 community service providers for funding to provide new and
21 expanded marketing programs for bus transportation services as part
22 of the Buses for 21st Century Mobility program. Such new and
23 expanded marketing programs shall include, but not be limited to: (1)
24 Web-based programs that would assist Connecticut citizens in finding
25 bus service to and from one location to another, as well as schedules
26 and routes; (2) printed advertising programs providing bus service
27 locations, schedules and routes and information concerning bus
28 transportation services in various communities; and (3) any other bus
29 transportation marketing and advertising programs that are designed
30 to increase bus ridership opportunities within Connecticut.

31 (c) Funding by the department for new and expanded bus
32 transportation services shall be allocated as follows: (1) Fifteen per cent
33 of the funds available for the Buses for 21st Century Mobility program
34 shall be assigned to projects which originate from locations within
35 each of the four counties of Hartford, Fairfield, New London and New
36 Haven; and (2) ten per cent of such available funds for the Buses for
37 21st Century Mobility program shall be assigned to projects which
38 originate at locations within each of the four counties of Litchfield,
39 Windham, Middlesex and Tolland. Services that cross regional or
40 county lines shall be assigned a proportionate share of funding
41 available to each county.

42 (d) The Department of Transportation shall consider, but is not
43 under any obligation to fund, all projects submitted for funding and
44 not fully funded as part of its process to determine how five million
45 dollars in new operating funds could be allocated for the fiscal year
46 ending June 30, 2009. The department shall not require applicants to
47 resubmit proposals for consideration, however, applicants shall be

48 notified and given the opportunity to modify such proposals. The
 49 department shall determine the allocation of funds under this program
 50 not later than September 30, 2008. Any funds remaining in the Buses
 51 for 21st Century Mobility program at the end of a fiscal year shall not
 52 lapse and shall be carried forward for the program and available for
 53 expenditure for new and expanded bus transportation programs
 54 during the succeeding fiscal year.

55 (e) At least seventy-five per cent of the funds available for capital
 56 expenditures may be used for the purchase of full-sized and small
 57 buses, and smaller vehicles for Americans with Disabilities Act
 58 services, services for the elderly and services for rural areas. At least
 59 one-third of the funds available for the purchase of vehicles shall be
 60 expended for vehicles to provide services in rural areas. The balance of
 61 such available funds may be used for capital expenditures associated
 62 with the provision of new services, including signage, shelters, and
 63 similar amenities. If such funds cannot be allocated in this way, they
 64 shall be available for additional vehicles.

65 Sec. 2. (*Effective July 1, 2008*) During the fiscal year ending June 30,
 66 2009, fifteen million dollars of bond proceeds shall be made available
 67 to the Department of Transportation for the operation and
 68 administration of such program during said fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	New section
Sec. 2	<i>July 1, 2008</i>	New section

APP *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Department of Transportation	TF - Cost	120,000	126,000
Comptroller Misc. Accounts (Fringe Benefits) ¹	TF - Cost	31,000	74,000

Note: TF=Transportation Fund; TFBonds=Transportation Fund bonds

Municipal Impact: None

Explanation

The Department of Transportation (DOT) will require two Transportation Planner positions at a cost of \$60,000 each plus fringes¹ to implement the provisions in Section 1.

The requirement that the establishment of “Buses for the 21st Century Mobility” program within available appropriations will likely result in one of four outcomes: (1) DOT will proceed with the development of the program, and will require a deficiency appropriation during FY 09; (2) DOT will delay the implementation of the program pending the approval of additional appropriations to meet this mandate in future fiscal years; (3) DOT will shift administrative resources from other department priorities, thereby impacting existing departmental programs; or (4) DOT will not implement the program. In the event that the department does not implement the “Buses for the 21st Century Mobility” program, it is not clear to what extent the lack of the program will impede the

¹ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The first year fringe benefit costs for new positions do not include pension costs. The estimated first year fringe benefit rate as a percentage of payroll is 25.36%. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System (SERS). The SERS fringe benefit rate is 33.27%, which when combined with the rate for non-pension fringe benefits totals 58.63%.

implementation of the other aspects of the bill.

Section 2 provides \$15 million in bond funds in FY 09 to the Department of Transportation for the operation and administration of the expanded bus program. The fiscal impact of this section cannot be determined because the language does not authorize additional Special Tax Obligation (STO) bonds for this purpose.

The Out Years

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$	FY 13 \$
Department of Transportation	TF - Cost*	129,780	133,673	137,683
Comptroller Misc. Accounts (Fringe Benefits)	TF - Cost*	76,220	78,507	80,862

Note: TF=Transportation Fund; TFBonds=Transportation Fund bonds

*These figures have been adjusted for inflation at a rate of 3%

Municipal Impact: None

OLR Bill Analysis**sHB 5734*****AN ACT CONCERNING NEW AND EXPANDED BUS
TRANSPORTATION SERVICES THROUGHOUT CONNECTICUT.*****SUMMARY:**

This bill establishes a program to be administered by the Department of Transportation (DOT) within available budgetary resources, called the "Buses for 21st Century Mobility program." The purpose of the program is to provide (1) capital and, possibly, operating assistance for funding new and expanded bus transportation services statewide and (2) funding for marketing programs. DOT must begin accepting applications from transportation providers and community service providers on July 1, 2008. The bill does not specify who qualifies as a transportation or community service provider, nor does it give DOT authority to determine this by regulations.

For FY 09, the bill requires \$15 million in bond proceeds to be "made available" to DOT for operating and administering the program during that year. But it does not specify the source of these funds. Any funds remaining at the end of the fiscal year do not lapse and must be carried forward for expenditure on the new or expanded bus transportation programs in FY 10. The bill makes no funding available for the program after FY 09.

It is not clear if the bill requires DOT to provide operating assistance to grantees, or only capital assistance. It explicitly requires \$15 million in bond proceeds to be "made available" to DOT for the program, but refers only to a process DOT must have to determine "how five million in new operating funds could be allocated" for FY 09. Since it does not specifically make funding available for operating assistance and requires the program to be conducted within available budgetary resources, one possible inference could be that DOT must make \$5

million of its existing operating funds available to the new program.

EFFECTIVE DATE: July 1, 2008

BUSES FOR THE 21ST CENTURY PROGRAM

Program Scope

The bill specifies that the program include funding for:

1. providing transportation services for disabled “citizens” to and from their homes for any purposes “required” by the Americans with Disabilities Act (ADA);
2. expanding existing services when a need has been demonstrated for expansion;
3. providing new rail shuttle services to encourage use of the Metro-North Commuter Railroad (i.e., the New Haven line rail commuter service);
4. express commuter services; and
5. other bus transportation programs designed to increase bus riding opportunities for Connecticut residents.

Funding for new or expanded marketing programs must include:

1. Internet-based programs to help Connecticut citizens find bus services, schedules, and routes;
2. print advertising programs regarding bus service locations, schedules, routes, and bus transportation services in various communities; and
3. any other bus transportation marketing and advertising programs designed to increase bus riding opportunities in Connecticut.

Funding Allocation

The bill requires 15% of the funds available for the new program to

be assigned to projects that originate from locations in Hartford, Fairfield, New London, and New Haven counties and 10% of available funds to be assigned to projects that originate in Litchfield, Windham, Middlesex, and Tolland counties. Services that cross “regional” or county lines must be assigned a proportionate share of funding available to each county. (It appears that the intent of the bill may be to allocate the 15% and 10% shares of the total funding to each of the counties in the two groups of four counties, but it does not explicitly do that.)

The bill requires DOT to determine the allocation of funds under the program by September 30, 2008.

At least 75% of the funding available for capital expenditures may be used to purchase full-sized and small buses and smaller vehicles for ADA services, services for the elderly, and services for rural areas. At least 33% of the funds for vehicle purchases must be used for vehicles that provide services in rural areas. Any remaining funds for capital expenditures may be used for capital costs associated with providing new services, including signs, shelters, and similar amenities. If such funds cannot be allocated in this way, they must be available for additional vehicles. (This reference appears to mean the 25% of capital funds not already specifically mentioned for vehicle purchases.)

Other Provisions

The bill requires DOT to consider, but does not obligate it to fund, all projects submitted for funding and “not fully funded as part of its process to determine how \$5 million in new operating funds could be allocated” for FY 09. This provision is unclear. It appears to mean that in determining how to allocate the operating funds available under the program, DOT must consider every project application submitted for operating assistance, but does not have to fully fund any project. However, it is not certain how this provision must be applied. The bill provides no explicit funding for operating assistance so this provision might be interpreted to require the DOT to reallocate \$5 million of its existing funding for the new program.

DOT cannot require applicants to resubmit proposals for consideration, but applicants must be “notified” and given the opportunity to modify their proposals.

BACKGROUND

Americans with Disabilities Act

The ADA requires any entities receiving public funding for fixed-route bus transit to offer equivalent paratransit services to ADA-eligible people within the public transit service area during the service hours of the fixed route operation for destinations within $\frac{3}{4}$ mile of fixed-route services (49 CFR § 37.131).

Legislative History

The House referred the bill to the Appropriations Committee on April 3. On April 11, the committee approved a substitute that (1) deleted a provision requiring \$7 million in operating funds to be made available to the DOT for operation of the program in FY 09 and (2) required the program to be administered within available budgetary resources. However, the committee did not remove language requiring DOT to consider partially funding projects when determining how to allocate \$5 million in “new operating funds” for FY 09 nor a provision requiring unspent FY 09 funds to be carried over to FY 10.

COMMITTEE ACTION

Transportation Committee

Joint Favorable

Yea 31 Nay 0 (03/07/2008)

Appropriations Committee

Joint Favorable Substitute

Yea 47 Nay 4 (04/11/2008)